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The President's Daily Brief

October 25, 1976

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Table of Contents

China: Speakers at the rally in Peking on Sunday implied that the party's Central Committee, which has not met in full session, has formally confirmed Hua Kuo-feng as successor to Mao Tse-tung. (Page 1)

Lebanon: Christian forces captured the military barracks in the key southern town of Al-Khiyam on Saturday. The cease-fire has generally been holding throughout the rest of the country. (Page 2)

Rhodesia: Rivalry among the four Rhodesian black nationalist leaders invited to the Geneva conference is still preventing adoption of a united position. (Page 4)

Italy:

[Redacted] (Page 5)

25X1

Notes: USSR; Portugal; Iran-USSR (Pages 7 and 8)

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CHINA: *Speakers at the rally in Peking on Sunday implied that the party's Central Committee, which has not met in full session, has formally confirmed Hua Kuo-feng as successor to Mao Tse-tung.*

The misleading reference to the Central Committee endorsement seems to lend an air of legality to Hua's promotion amid signs that the leadership, despite its forceful move against leading leftists on the Politburo, is reluctant--or as yet unable--to make further decisions. Hua himself seems to have avoided deliberately a plenary session of the Central Committee, possibly because there are still a number of leftists, including military men, among its approximately 300 members.

At the rally Hua, in addition to his new position as chairman of the party and of its military commission, was identified as premier, indicating that no decision has yet been made to name Li Hsien-nien to that post.

The remaining members of the Politburo, including those who reside outside the capital, appeared in the same order of rank they held prior to the arrest of the four leftists. Politburo member and Shenyang Military Region commander Li Te-sheng attended the rally, despite his apparent links with the left and a report that he is being "held in Peking."

Shanghai, China's largest city, has been left leaderless by the arrests of the four leftists on the Politburo, three of whom were the top three party officials in that city. Although alternate member of the Politburo Ni Chih-fu reportedly was sent with others to assume the leadership in Shanghai, Ni was identified at the rally by his usual title of secretary of the Peking party committee.

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Peking party boss Wu Te, in the major address at the rally, said publicly what has been rumored for some time--that Mao personally passed the mantle to Hua.

Wu was unspecific in his charges against the ousted leftists, but raised a new, albeit vague, accusation that they had "illicit relations" with unnamed foreign countries. This could pave the way for charges that the leftist quartet colluded with the USSR.

Wu may have been alluding to the continuing problems facing the leadership when he mentioned the "difficulties" and "twists and turns" that lie ahead.

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LEBANON: Christian forces aided by defectors from the leftist Lebanese Arab Army took the military barracks in the key southern Lebanese town of Al-Khiyam on Saturday.

The Christians claim this action gives them control over all access routes into the Arquib region--commonly known as "Fatahland"--that has for years been the principal staging base for fedayeen operations into Israel. 25X1

The Christians also have laid siege to several villages south of Al-Khiyam and are demanding the surrender of Bint Jubayl, which has been heavily shelled by Christian and Israeli artillery for the past several days.

Israeli Defense Minister Peres in a speech on Saturday indirectly acknowledged that Israeli forces have been providing support for the Christians' operations, but he denied that the Israelis have crossed the border. The continued Israeli-supported Christian attacks

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in the south threaten the overall cease-fire in Lebanon--which was still generally holding elsewhere in the country yesterday--and are likely to be a major issue at the Arab summit that opens in Cairo today.

Some Arabs are interpreting the attacks as a dual Christian-Israeli effort to cut off Palestinian access to the border before the Lebanon truce takes full effect and before action can be taken to implement the Cairo accords of 1969 regulating Palestinian activity in Lebanon.

Although the Cairo accords, which were reaffirmed at the Riyadh summit last week, generally restrict the Palestinians to the refugee camps, they also allow the guerrillas virtually free run of some areas of the border adjacent to Israel. The Christians and Israelis clearly are intent on creating a buffer zone in the south that will prevent Arab acquiescence in this provision of the accords.

Syria is likely to be pressured at the summit today to rein in its Christian allies. [redacted]

25X1

Asad probably could win the support of the moderate Arab leaders, particularly if, as seems likely, Christian dominance of the border area has been accomplished by the time the summit opens.

PLO Chief Yasir Arafat undoubtedly will try to play up the Israeli involvement in the hope of embarrassing the other leaders into supporting him. Arafat is probably under pressure from his more radical subordinates and the leftists to resume fighting in response to the Christian attacks.

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RHODESIA: *Rivalry among the four Rhodesian black nationalist leaders invited to the Geneva conference is still preventing adoption of a united position.*

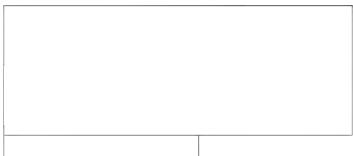
The nationalists have chosen their delegations and have departed for the conference, which formally opens next Thursday.



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Sithole is leading a rival delegation to the conference and still claims to be the leader of ZANU. He has stated that he wants the black delegations at Geneva to put up a united front.

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ITALY: [redacted]

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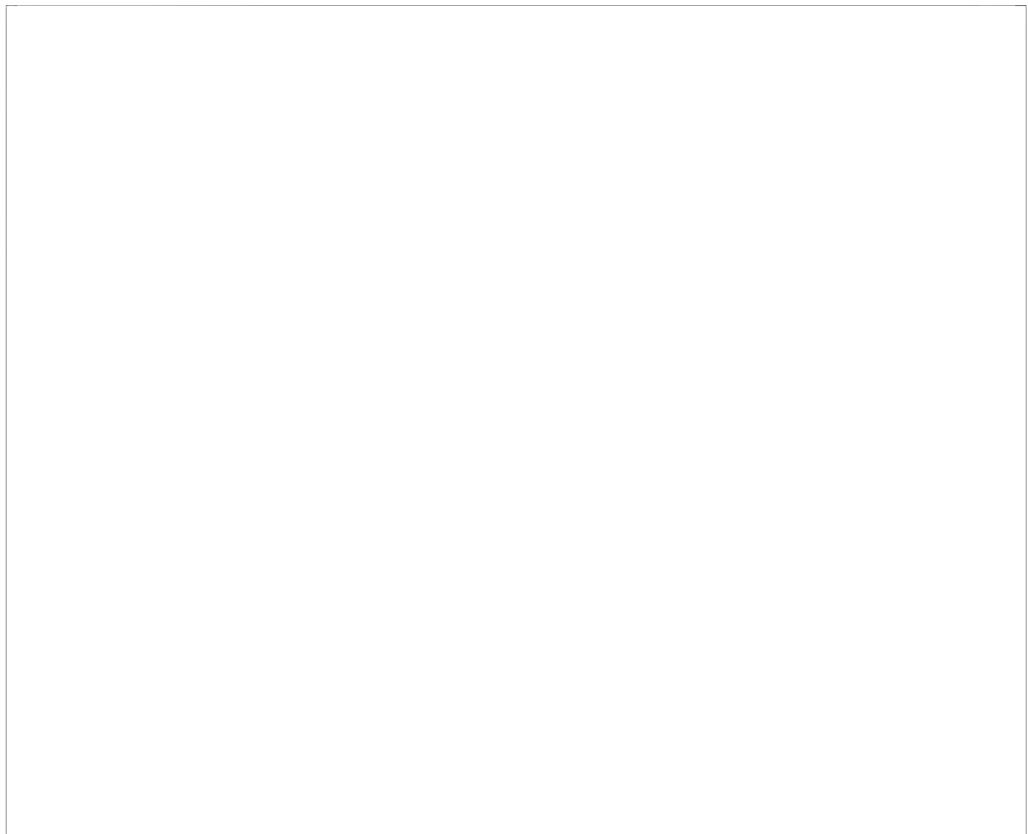


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25X1

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NOTES

USSR: The latest satellite photography shows that the Soviets are moving ahead with plans to make the mobile SS-X-20 intermediate-range ballistic missile operational, possibly by the end of this year or in early 1977.

Photography taken in early October indicates that the Soviets are continuing to construct new buildings at two SS-4 sites in western USSR and at a partially dismantled SS-7 site in the eastern USSR, probably for use as support bases for the SS-X-20 IRBM. Some of the buildings, which could house mobile missile launchers, are equipped with sliding roofs. Some of these buildings are already connected by cable to other buildings which may contain launch control vans.

The Soviets could launch missiles directly from the buildings with the sliding roofs in the event they do not receive enough advanced warning of an attack to allow movement to remote launch positions.

* * *

The arrest of Portuguese Major Otelo Carvalho accounted for the increased state of readiness ordered on Saturday in the Lisbon military region.

Lisbon remains quiet. An extreme leftist group announced yesterday, however, that it was planning a week of nationwide demonstrations, beginning today, to protest the arrest.

President Eanes may have taken action against Carvalho at this time to win the support of rightist elements in the military who have not been happy with the way Eanes is directing the country's affairs.

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*Iran's decision to re-
turn the Soviet mail
plane pilot who defected
is probably an effort
to relieve the tensions
that have developed be-
tween the two countries.*

In returning the pilot under the provisions of an anti-hijacking treaty signed in 1974, the Shah acted against the advice of his foreign ministry, which had concluded that the treaty did not apply in this case.

Moscow has become increasingly critical of Iranian purchases of US arms. The Soviets believe that these purchases will enable the Shah to permit a greatly increased US military presence in Iran.

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